

**Amendment No. 4 to SB3901**

**Henry  
Signature of Sponsor**

**AMEND Senate Bill No. 3901\***

**House Bill No. 3787**

by adding the following new section immediately preceding the last section and by renumbering the subsequent section accordingly:

SECTION \_\_\_\_\_. Tennessee Code Annotated, title 67, chapter 6, part 3, is amended by adding the following language as a new section:

Section 67-6-396.

(a)

(1) There is exempt from the tax imposed by this chapter the following items of tangible personal property if sold to a natural person receiving disaster assistance through the Federal Emergency Management Agency (FEMA), and if sold between 12:01 a.m. on the fifth calendar day following the effective date of this section and 11:59 p.m. on September 30, 2010:

(A) Major appliances; and

(B) Residential building supplies.

(2) All appliances or supplies sold under this exemption shall be utilized in such person's primary residence for the purposes of restoration, repair, replacement or rebuilding due to disaster damage occurring between May 1, 2010 and May 8, 2010.

(b) For the purposes of this section, unless the context otherwise requires:

(1) "Major appliances" means water heaters, dishwashers, washers, dryers, refrigerators, freezers, stoves/ranges/ovens/cooktops,

microwaves, vacuums and fans; provided that the sales price per item is three thousand two hundred dollars (\$3,200) or less; and

(2) "Residential building supplies" means cleaning and disinfecting materials as determined by the department, trash bags, boxes, construction tools and hardware as determined by the department, sheetrock, insulation, paint and paint materials as determined by the department; provided that the sales price per item is five hundred dollars (\$500) or less.

(c) The department shall develop guidelines for individuals and dealers as to eligible appliances, eligible supplies and acceptable proof of disaster relief for use of the exemption. All such guidelines shall be posted on the web site of the department.

(d) The department may assess a civil penalty not to exceed ten thousand dollars (\$10,000) for each violation of subdivision (a)(2).

(e) It is the intent of the general assembly to appropriate a sum sufficient for the purpose of this exemption from the reserve for revenue fluctuations in the general appropriations act.

(f) The provisions of this section shall take effect upon becoming law, the public welfare requiring it.